

TESTIMONY OF J. ANDREW CASHMAN
ON BEHALF OF THE NEW ENGLAND CONVENIENCE STORE ASSOCIATION
BEFORE THE COMMITTEE ON LABOR, COMMERCE, RESEARCH AND ECONOMIC
DEVELOPMENT

IN OPPOSITION TO: LD 36, *AN ACT TO INCREASE THE MINIMUM WAGE*; LD 52, *AN ACT TO ADJUST MAINE'S MINIMUM WAGE*; LD 72, *AN ACT TO INCREASE THE MINIMUM WAGE*; LD 77, *AN ACT TO RAISE THE MINIMUM WAGE*; LD 92, *AN ACT TO INCREASE THE MINIMUM WAGE TO \$8.00 PER HOUR*, LD 487; *AN ACT TO PROVIDE FOR AN INCREASE IN THE MINIMUM WAGE*

NEITHER FOR NOR AGAINST: LD 739, *RESOLVE, TO ESTABLISH A WORKING GROUP TO EVALUATE THE BENEFITS AND DETRIMENTS OF INCREASING THE MINIMUM WAGE*

March 23, 2015

Good morning Senator Volk, Representative Herbig, and distinguished members of the Committee, my name is Andy Cashman. I am an attorney with Preti Flaherty representing the Maine Chapter of the New England Convenience Store Association. We represent convenience store owners and petroleum operators throughout Maine. Thank you for the opportunity to submit this written testimony to you on an issue that is very important to the convenience store industry -- whether or not to raise the minimum wage in Maine.

The proposed minimum wage increases in LDs 36, 52, 72, 77, 92, and 487 would be harmful to our industry for a number of reasons. First, convenience stores operate with a very small profit margin. Increasing the minimum wage will cost retailers thousands of dollars in additional taxes and salaries paid to their employees, most of whom receive their first raise after approximately four months.

Additionally, convenience stores are facing economically tough times as well as other businesses. An increase, if passed, would require retailers to raise the wages of all their employees, commensurate with their skills, responsibility, tenure and productivity, not just those earning the minimum, thereby costing businesses more money than the proposed increase in the hourly wage.

The impact of an increase in the minimum wage will be felt by many businesses across Maine. For many it will mean additional jobs or new hires may be postponed or eliminated, some businesses may even be closed as costs outstrip revenues. In the convenience store industry it will also drive current owners to work expanded hours. You may ask, why not pass the

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additional costs on to consumers? Some stores will. But, today's retail marketplace is highly competitive and customers are very price conscious. Customers would simply drive elsewhere to purchase items for less money.

Based upon the full impact of this measure on those employers who will have to pay for the costs of such an increase and for the above reasons, our membership asks that you oppose this increase.

With respect to LD 739, we would respectfully request that NECSA have an opportunity to participate on any working group created to consider the impacts of raising the minimum wage.

Thank you for your consideration of our concerns. I appreciate your time and am happy to answer any questions you may have.